

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

January 15, 2003

spared from deep cuts. I've also spared from deep cuts public and private nursing homes, the state's 24-hour care facilities, including our veterans' homes, and our home for the developmentally disabled. And finally, children's healthcare, the family childcare subsidy, and early childhood education aid are spared deep cuts under this budget recommendation. The fifth and final principle was that the Cash Reserve Fund had to be protected and increased, both because of the continued economic uncertainty and to prepare for the contingencies that might arise from the low-level radioactive waste litigation. With regard to the litigation, we have strong arguments for our appeal, but considering the tone of the ruling and the size of the judgment we must be prepared for any outcome. If our state is not required to pay the judgment a strong Cash Reserve position will better enable us to maintain a basic level of state services should tax receipts fail to rebound in the short term. Be mindful that members of the Nebraska Economic Forecasting Advisory Board have lowered state revenue projections each of the last five times that they have convened. The budget I submit to you today reflects these principles. Again, they are: one, the budget is tied to the reality of the economy and the current projections of tax revenue; two, there is no increase in the general sales and income tax upon our citizens; three, spending in each year does not exceed projected revenues in each year of the biennial budget; four, the core responsibilities of state government are protected to the fullest extent possible; and finally, the Cash Reserve is protected and increased. As you would discover in reviewing the details of my recommendation, there was no easy path to follow. I am personally encouraged by the memory that the Farm Crisis of the 1980s was followed by the economic growth of the 1990s. However, this memory is tempered by the reality of today and the need to be ever so cautious and conservative until we see a national recovery that is sustained over time. Admittedly, this budget recommendation is stout fiscal medicine, but I believe it is necessary. Only by making tough decisions can we see the light at the end of this tunnel. As you start your debate, I expect you will hear from many interests proclaiming that their favored program cannot operate with the budget that I have proposed. The truth is that we must all accept the challenge of doing more with less. The economy very simply is not generating